

(2) THE BOARD OF DIRECTORS SHALL:

(I) ADOPT A RESOLUTION WHICH DECLARES THAT THE CHARTER AMENDMENT, IF ANY, AND THE PROPOSED REDUCTION IS ADVISABLE; AND

(II) DIRECT THAT THE PROPOSED REDUCTION AND ANY CHARTER AMENDMENT BE SUBMITTED FOR CONSIDERATION AT EITHER AN ANNUAL OR SPECIAL MEETING OF THE STOCKHOLDERS.

(3) A NOTICE WHICH STATES THAT A PURPOSE OF THE MEETING WILL BE TO ACT ON THE PROPOSED REDUCTION AND ANY CHARTER AMENDMENT SHALL BE GIVEN IN THE MANNER REQUIRED BY SUBTITLE 5 OF THIS TITLE TO EACH STOCKHOLDER ENTITLED TO VOTE ON THE MATTER.

(4) THE PROPOSED REDUCTION AND ANY CHARTER AMENDMENT SHALL BE APPROVED BY THE STOCKHOLDERS OF THE CORPORATION BY THE AFFIRMATIVE VOTE OF TWO-THIRDS OF ALL THE VOTES ENTITLED TO BE CAST ON THE MATTER.

(C) FILING ARTICLES.

(1) IF STATED CAPITAL IS TO BE REDUCED WITHOUT A CHARTER AMENDMENT, THE CORPORATION SHALL FILE ARTICLES OF REDUCTION FOR RECORD WITH THE DEPARTMENT; AND

(2) IF STATED CAPITAL IS TO BE REDUCED WITH A CHARTER AMENDMENT, THE CORPORATION SHALL FILE ARTICLES OF AMENDMENT AND REDUCTION FOR RECORD WITH THE DEPARTMENT.

REVISOR'S NOTE: This section presently appears as Art. 23, §34 (a), (b), and (c).

Subsection (a) of this section is redrafted to make clear that stockholder action is unnecessary.

The last sentence of present §34(a), which requires articles of reduction to be filed when the reduction is accomplished by retiring shares, is deleted as unnecessary, since subsection (c) is broad enough to cover this circumstance.

The provisions of present §34(d), which exempt reductions that result from redemptions of shares subject to redemption and from cancellations of converted securities, are now covered by §2-313.

The only other changes are in style.

Subsection (b) of this section contains the